COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY UTILITIES)
COMPANY FOR AUTHORIZATION OF)
CHANGES IN SERVICE TERRITORY WITH) CASE NO. 98-514
PENNYRILE R.E.C.C)

ORDER

On September 30, 1998, Kentucky Utilities Company ("KU"), a utility as defined in KRS 278.010(3), filed its application, pursuant to KRS 278.018(6), for approval of an agreement with Pennyrile Rural Electric Cooperative Corporation ("Pennyrile") to change the electric territorial boundary for the Railroad Lake Property at Princeton. The property has been subdivided into lots.

The proposed change will realign the electric boundary in the new subdivision to coincide with lot boundaries. The application is supported by an agreement, signed by KU and Pennyrile, describing the boundary change. No existing customers will be reassigned to a different electric supplier as a result of the territorial boundary change.

Based on the application and being advised, the Commission finds that the proposed boundary change will prevent wasteful duplication of facilities, avoid unnecessary encumbering of the landscape, minimize disputes between KU and Pennyrile, and provide adequate and reasonable service to all affected areas.

IT IS THEREFORE ORDERED that the boundary change as agreed upon by KU and Pennyrile in the Railroad Lake Property is hereby approved, pursuant to KRS 278.018(6).

Done at Frankfort, Kentucky, this 18th day of November, 1998.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director